



YATES BUILDING - 207 SOUTH 4TH ST.
ARTESIA, NEW MEXICO - 88210

October 7, 1974

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

Case # 5351 10-30-74
Order R. 4902 10-4-74

RECEIVED

OCT 9 1974

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Non-Standard Location, Ferguson DY #1 Com
SE NE Section 7-18S-26E, Atoka West
Eddy County, New Mexico


Dear Sir:

Yates Petroleum seeks permission to drill a Morrow test well located 1980 FNL and 660 FEL of Section 7, T-18S, R-26E with a North-half section dedication. A gas well exists with a South-half dedication in Section 7-18S-26E. The non-standard location is preferred for geological reasons. An ownership plat and forms C-101, C-102 are attached, and Operators of Offsetting Spacing Units are notified by Certified Mail of this intent.

Please schedule this application for an early hearing.

Yours very truly,

YATES PETROLEUM CORPORATION


Eddie M. Mahfood
Petroleum Engineer

EMM/jg
Encl.

cc: Pennzoil Co - Midland, TX
Mr. Bill Gressett - NMOCC